

Garamendi says LNG approval process flawed

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The state needs a better process for evaluating proposals to build liquefied natural gas terminals, Lt. Gov. John Garamendi said Tuesday, the morning after he cast a vote killing a project that energy company BHP Billiton wants to build off the Los Angeles-Ventura County coast.

Garamendi and State Controller John Chiang, two of the three members of the State Lands Commission, essentially terminated the proposal for the ocean-based gas cooling plant by voting to reject an environmental impact report on the project.. The third member, a representative of Gov. Arnold Schwarzenegger's finance director, Mike Genest, voted in favor of the report.

Garamendi said he had broad concerns about the potential environmental impact of liquefied natural gas, but rejected the report because of specific problems. The impact statement did not include alternatives to the BP Billiton project, nor did it establish whether there was a need for the project, he said.

In a statement, Schwarzenegger, said he would continue his review of the specific project, but indicated that he backs LNG generally.

"It would be inappropriate for me to take a position on any application before the review process is complete, but I do believe that liquefied natural gas should be a part of California's energy portfolio," the statement said. "Natural gas is the cleanest-burning fossil fuel, and an LNG facility to serve our state would make California less vulnerable to variations in supply and price."